

HOUSE JOINT RESOLUTION 505  
By Chumney

A RESOLUTION relative to affordable housing in Tennessee.

WHEREAS, Tennessee relies on the productive abilities of its citizens to continue the growth of its economy; and

WHEREAS, the public policy of Tennessee, as expressed through the mission of the Tennessee Housing Development Agency, is to promote sound and affordable housing for people who need help; and

WHEREAS, families of all income levels need decent and affordable housing for their welfare; and

WHEREAS, in 1990, 17% of our homeowners paid over 30% of their income for housing, while 64% of our state's low income renters paid over 30% of their income for housing and 47% paid over 50% of their income for housing expenses, representing a severe cost burden for these citizens; and

WHEREAS, 67% of Tennesseans who earn 30% or less of the adjusted median income experienced housing problems, such as excessive cost burden, lack of complete kitchen or plumbing, and overcrowding; and

WHEREAS, many factors, including the cost of land and materials, are encouraging builders to target their efforts toward higher priced housing with larger profit margins, and moderate and low income families are being priced out of the market; now, therefore,

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BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE-HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, That the Tennessee Housing Development Agency is hereby directed to study the possibility of offering economic incentives for creating affordable housing as part of any new construction; the practicality of mixed income subdivisions or rental complexes; to survey other states' efforts, including the involvement of their housing finance agencies; review the success of such programs; and report on a range of alternatives presently being utilized to provide more affordable housing.

BE IT FURTHER RESOLVED, That the Tennessee Housing Development Agency's study shall also include consideration of:

(1) New models for creating affordable housing around the United States, such as the Montgomery County, Maryland "Moderately Priced Housing Program" and California's State Density Bonus Law which provide incentives in the form of density bonuses, or other incentives to housing developers who construct affordable housing units in new developments; and

(2) Inclusionary Housing Zoning Programs, such as the Connecticut Housing Partnership Program or the Regional Fair Housing Compact Pilot Program of Connecticut; and

(3) The impact of establishing an affordable housing appeals procedure, (such as the Connecticut Affordable Housing Land Use Appeals Procedure Act) on reducing affordable housing needs.

BE IT FURTHER RESOLVED, That the Tennessee Housing Development Agency shall confer with representatives from federal and state agencies, representatives from the homebuilder and construction industry, and local government officials and representatives in order to evaluate these programs and make recommendations to the General Assembly on

which measures would encourage and result in increased affordable housing to meet the needs of the citizens of the State of Tennessee.

BE IT FURTHER RESOLVED, That the Tennessee Housing Development Agency shall report its findings and recommended legislation, if appropriate, to the One-Hundred First General Assembly no later than February 1, 1999.

BE IT FURTHER RESOLVED, That an enrolled copy of this resolution be transmitted to the Executive Director of the Tennessee Housing Development Agency.